

## **E-FILING HELPS TAXPAYERS FILE NOW, PAY LATER**

WASHINGTON – Growing numbers of people who owe taxes are discovering the file-now-pay-later advantages of electronic filing. Now, with the click of a mouse, taxpayers can file their tax return and defer payment until April 17, 2000. There were 1.5 million balance due e-filers in 1999, up from 1.2 million in 1998. For the current filing season, that number exceeds 575,000, which is 30% ahead of the comparable period last year.

The Internal Revenue Service offers two electronic payment options for e-filers -- direct debit and credit card. Under the direct debit option, taxpayers can designate a checking or savings account at the time the return is filed and defer the payment until the due date of the return. Taxpayers will need to provide their bank account number and the routing transit number of their financial institution to authorize the debit.

A federal tax bill can also be charged to an American Express, MasterCard or Discover Card account by calling 1-888-2PAY-TAX (1-888-272-9829). No fees are charged by the IRS. However, Official Payments Corporation (OPC), the company authorized to accept credit charges by phone, will impose a convenience fee. To determine what the fee will be, visit [www.8882paytax.com](http://www.8882paytax.com) on the Internet. As with the debit option, taxpayers may file early and wait until April to phone in a credit card charge.

In addition, two tax software developers offer e-file and pay combinations for individuals who want to use a credit card. In these programs, the credit card payment information is part of the electronic return filed. This option is available to taxpayers who use Intuit's tax preparation software to file their returns from a personal computer. It is also available through tax preparers using Intuit or Orrtax software.

Currently in its 15<sup>th</sup> year, the IRS e-file program provides a fast, safe and accurate way for taxpayers to file their returns. Nearly 30 million taxpayers filed electronically in 1999 and the number is expected to approach 34 million this year. The number of taxpayers filing from a home computer has already exceeded the total for all of last year.

For additional information on e-filing and electronic payment options, visit the IRS Web site at [www.irs.gov](http://www.irs.gov) and click on "Electronic Services."

About half of the 46.7 million returns the IRS had received as of March 3 were filed electronically. To date, the IRS has processed \$62 billion in refunds for 34.9 million taxpayers. The average refund of \$1,774 is 5.8% higher than this time last year.

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## 2000 FILING SEASON STATISTICS

Cumulative through the week ending 3/5/99 and 3/3/00

	<u>1999</u>	<u>2000</u>	<u>% Change</u>
<b>Individual Income Tax Returns</b>			
Total Receipts	46,106,000	46,727,000	1.3
Total Processed	34,092,000	38,070,000	11.7
<b>E-filing Receipts:</b>			
TOTAL	20,212,000	23,355,000	15.6
TeleFile (phone)	4,132,000	3,721,000	- 9.9
Computer	16,080,000	19,634,000	22.1
Tax Professionals	14,805,000	17,119,000	15.6
Self-prepared	1,275,000	2,515,000	97.3

### Refunds Certified by the Martinsburg Computing Center:

Number	31,211,000	34,914,000	11.9
Amount of principal	\$52.331 billion	\$61.952 billion	18.4
Average refund	\$1677	\$1774	5.8

### Direct Deposit Refunds:

Number	15,127,000	18,408,000	21.7
Amount	\$32.332 billion	\$40.517 billion	25.3